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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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ANNUAL AUDITED REPORT
FORM X-17A-5
PART 111

SEC FILE NUMBER
8- 65866

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/08 AND ENDING 12/31/08
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Compass Point Research and Trading, LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY

FIRM I.D. NO.

1775 I Street, Suite 800

(No. and Street)

Washington

DC

20006

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Scott Dreyer

(202) 741-3670

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in the Report*

Rubio CPA, PC

(Name - if individual, state last, first, middle name)

2120 Powers Ferry Road, Suite 350

(Address)

Atlanta Georgia

(City)

Section

(State)

30339

(Zip Code)

SEC Mail Processing
Section.

CHECK ONE:

☒ Certified Public Accountant

☐ Public Accountant

☐ Accountant not resident in United States or any of its possessions.

MAY 02 2009

Washington, DC

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Washington, DC

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FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

Potential persons who are to respond to the collection of
information contained in this form are not required to respond
unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

I, **Scott Dreyer**, swear (or affirm) that, to the best of my

knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of

Compass Point Research and Trading, LLC

, as

of December 31, 2008, are true and correct. I further swear (or affirm) that

neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

PERI S. DONNER
NOTARY PUBLIC DISTRICT OF COLUMBIA
My Commission Expires May 14, 2012

Signature

CED

Title

Notary Public

This report ** contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-3 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

***For conditions of confidential treatment of certain portions of this filing, see section 240.17z-5(e)(3).*

COMPASS POINT RESEARCH AND TRADING, LLC
Financial Statements
For the Year Ended
December 31, 2008
With
Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Member
Compass Point Research and Trading, LLC

We have audited the accompanying balance sheet of Compass Point Research and Trading, LLC, as of December 31, 2008 and the related statements of operations, changes in member's equity, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities and Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Compass Point Research and Trading, LLC, as of December 31, 2008 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the Schedules I, II and III is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

February 25, 2009
Atlanta, Georgia



RUBIO CPA, PC

COMPASS POINT RESEARCH AND TRADING, LLC
BALANCE SHEET
DECEMBER 31, 2008

ASSETS

	<u>2008</u>
Cash and cash equivalents	\$ 199,009
Accounts receivable – clearing broker	445,715
Office furniture and equipment, net of accumulated depreciation of \$5,013	47,314
Deposit with clearing broker	850,000
Prepaid expenses	41,950
Other assets	<u>6,781</u>
Total Assets	<u>\$ 1,590,769</u>

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES

Accounts payable and accrued expenses	\$ 57,657
Accrued commissions	151,558
Other accrued liabilities	<u>3,692</u>

Total Liabilities 212,907

MEMBER'S EQUITY 1,377,862

Total Liabilities and Member's Equity \$ 1,590,769

The accompanying notes are an integral part of these financial statements.

COMPASS POINT RESEARCH AND TRADING, LLC
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2008

	<u>2008</u>
REVENUES	
Commissions	\$ 3,009,046
Interest income	<u>8,834</u>
Total revenues	<u>3,017,880</u>
 GENERAL AND ADMINISTRATIVE EXPENSES	
Employee compensation and benefits	967,014
Clearing costs	642,919
Communications	35,164
Occupancy cost	79,726
Other operating expenses	<u>188,521</u>
Total expenses	<u>1,913,344</u>
 NET INCOME	 <u><u>\$ 1,104,536</u></u>

The accompanying notes are an integral part of these financial statements.

COMPASS POINT RESEARCH AND TRADING, LLC
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2008

	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net income	\$ 1,104,536
Adjustments to reconcile net income to net cash provided by operations:	
Depreciation	3,015
Decrease in accounts receivable	54,783
Increase in accrued commissions	151,558
Increase in accounts payable and other accrued expenses	58,349
Increase in prepaid expenses and other assets	<u>(36,846)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,335,395
 CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of office furniture and equipment	(50,329)
Increase in clearing deposits	<u>(850,000)</u>
NET CASH USED BY INVESTING ACTIVITIES	(900,329)
 CASH FLOWS FROM FINANCING ACTIVITIES:	
Member contributions	202,676
Member distributions	<u>(526,826)</u>
NET CASH USED BY FINANCING ACTIVITIES	(324,150)
 NET INCREASE IN CASH	110,916
 CASH AND CASH EQUIVALENTS BALANCE:	
Beginning of year	<u>88,093</u>
End of year	<u><u>\$ 199,009</u></u>

The accompanying notes are an integral part of these financial statements.

COMPASS POINT RESEARCH AND TRADING, LLC
STATEMENT OF CHANGES IN MEMBER'S EQUITY
For the Year Ended December 31, 2008

	<u>Total</u>
Balance, December 31, 2007	\$ 597,476
Net income	1,104,536
ContributionS from member	202,676
Member distributions	<u>(526,826)</u>
Balance, December 31, 2008	<u><u>\$ 1,377,862</u></u>

The accompanying notes are an integral part of these financial statements.

COMPASS POINT RESEARCH AND TRADING, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2008

NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Description of Business: The Company is a registered broker dealer organized under the laws of the state of Delaware. The Company is registered with the Securities and Exchange Commission, the Financial Industry Regulatory Authority and the securities commissions of appropriate states. The Company is a full service, fully disclosed, introducing broker-dealer.

The Company is wholly owned by Sooner Holdings, LLC.

Cash and Cash Equivalents: The Company considers all cash and money market instruments with a maturity of ninety days or less to be cash and cash equivalents.

Property and Equipment: Property and equipment are recorded at cost. Depreciation is provided by use of straight-line methods over the estimated useful lives of the respective assets. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of operations.

Income Taxes: The Company is taxed as a sole proprietorship. Therefore the taxable income or losses of the Company flow through to its owner and no income taxes are recorded in the accompanying financial statements.

Estimates: Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Securities Transactions: Customer's securities transactions are reported on a settlement date basis with related commission income and expenses reported on a trade date basis.

NOTE B — NET CAPITAL

The Company, as a registered broker dealer, is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2008, the Company had net capital of \$1,281,817, which was \$1,181,817 in excess of its required net capital of \$100,000 and its ratio of aggregate indebtedness to net capital was .17 to 1.0.

COMPASS POINT RESEARCH AND TRADING, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2008

NOTE C — OFF BALANCE SHEET RISK

In the normal course of business, the Company's customers execute securities transactions through the Company. These activities may expose the Company to off balance sheet risk in the event the customer or other broker is unable to fulfill its contracted obligations and the Company has to purchase or sell the financial instrument underlying the contract at a loss.

NOTE D – LEASES

The Company operates from office premises leased on a month to month basis. Rent expense for 2008 was approximately \$77,000.

NOTE E – LITIGATION

The Company is subject to claims and litigation in the normal course of business. There is no litigation in progress at December 31, 2008.

NOTE F – CLEARING AGREEMENT

The Company clears all of its proprietary and customer transactions through another broker-dealer on a fully disclosed basis. The fully disclosed correspondent/clearing agreement requires a deposit with the clearing firm. Provided that the Company is not in default of its obligations or liabilities to the clearing firm, the clearing firm will return the security deposit following termination of the fully disclosed correspondent/clearing agreement.

NOTE G – RELATED PARTY TRANSACTIONS

Effective January 2008, the Company has an expense sharing agreement with its Parent. Under the agreement, rent and other employment and administrative expenses incurred by the Parent were allocated monthly to the company based on the percentage of time spent by officers and employees on the Company's business.

During the year ended December 31, 2008, the Company paid approximately \$220,000 to the Parent.

Financial position and results of operations may differ from the amounts in the accompanying financial statements if these related party transactions did not exist.

SUPPLEMENTAL INFORMATION

SCHEDULE I
COMPASS POINT RESEARCH AND TRADING, LLC

COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1
OF THE SECURITIES AND EXCHANGE COMMISSION ACT OF 1934
AS OF DECEMBER 31, 2008

NET CAPITAL:

Total member's equity	<u>\$1,377,862</u>
Less nonallowable assets:	
Office equipment	(47,314)
Prepaid expenses	(41,950)
Other assets	<u>(6,781)</u>
	<u>(96,045)</u>
Net capital before haircuts	1,281,817
Less haircuts	<u>-</u>
Net capital	1,281,817
Minimum net capital required	<u>100,000</u>
Excess net capital	<u>\$1,181,817</u>
Aggregate indebtedness	<u>\$ 212,907</u>
Net capital based on aggregate indebtedness	<u>\$ 14,194</u>
Ratio of aggregate indebtedness to net capital	<u>.17 to 1.0</u>

RECONCILIATION WITH COMPANY'S COMPUTATION OF NET CAPITAL INCLUDED
IN PART IIA OF FORM X-17A-5 AS OF DECEMBER 31, 2008

Net capital as reported in Part IIA of Form X-17a-5	\$1,262,331
Audit adjustment:	
To remove prepaid expense item not paid at December 31, 2008	<u>19,486</u>
Net capital as reported above	<u>\$1,281,817</u>

COMPASS POINT RESEARCH AND TRADING, LLC

**SCHEDULE II
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
AS OF DECEMBER 31, 2008**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(ii) of the rule.

**SCHEDULE III
INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
AS OF DECEMBER 31, 2008**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(ii) of the rule.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL ACCOUNTING CONTROL
REQUIRED BY RULE 17a-5**

To the Member
Compass Point Research and Trading, LLC

In planning and performing our audit of the financial statements of Compass Point Research and Trading, LLC, for the year ended December 31, 2008, we considered its internal control structure, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission, we have made a study of the practices and procedures (including test of compliance with such practices and procedures) followed by Compass Point Research and Trading, LLC, that we considered relevant to the objective stated in Rule 17a-5(g). We also made a study of the practices and procedures followed by the Company in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and the procedure for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company related to the following: (1) in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by Rule 17a-13; (2) in complying with the requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System; and (3) in obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by Rule 15c3-3.

The management of the Company is responsible for establishing and maintaining an internal control structure and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the commission's above-mentioned objectives. Two of the objectives of an internal control structure and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal control structure or the practices and procedures referred to above, errors or irregularities may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the internal control structure that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2008 to meet the Commission's objectives.

This report recognizes that it is not practicable in an organization the size of the Company to achieve all the division of duties and cross-checks generally included in a system of internal accounting control, and that alternatively, greater reliance must be placed on surveillance by management.

This report is intended solely for the use of management, the Securities and Exchange Commission, the New York Stock Exchange and other regulatory agencies which rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers and should not be used for any other purpose.

February 25, 2009
Atlanta, Georgia

A handwritten signature in black ink, appearing to read "Rubio CPA, PC", with a stylized flourish at the end.

RUBIO CPA, PC